

# Russian Arbitration Association as a Body for Administering Arbitration Disputes

THE LAW FIRM NETWORK  
RUSSIA REGIONAL EMEA CONFERENCE  
Marriott Courtyard Hotel, Moscow, Russia  
Friday 13, September 2013

## Andrey Loboda

associate professor, Department for Private International and Civil Law, MGIMO University,  
member of the Board of the Russian Arbitration Association, alternate member of the ICC  
International Court of Arbitration

Loboda, Filimonov & Partners (LFP)



# Purpose of the Association

- The main purpose of the Russian Arbitration Association (RAA) is promotion of arbitration (domestic and international) in the Russian Federation and the CIS countries, popularisation of Russia as a place for arbitration, promotion of Russian arbitrators on national and international levels and promotion of foreign arbitrators interested in arbitrations linked with Russia.
- One of the key challenges of the RAA is to create a new professional and efficient arbitration center in Russia.



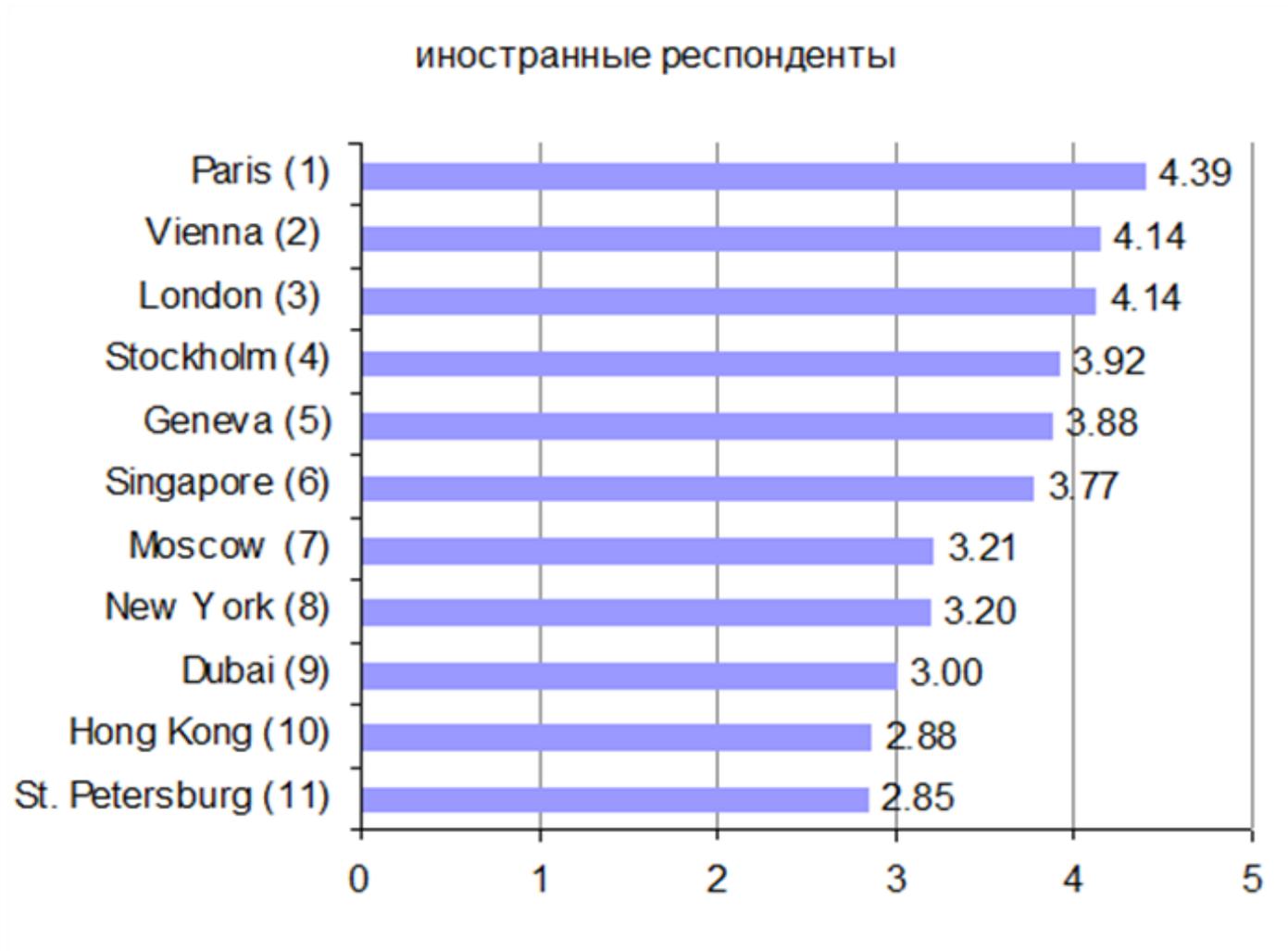
# Why it is needed?

- A recent survey by the Russian National Committee of the International Chamber of Commerce (ICC Russia) 'RUSSIA AS A PLACE FOR ARBITRATION' evidences that the majority of respondents would only agree to submit themselves to arbitration in Russia "*if rejection to choose Russia is a deal-breaker*" (<http://www.iccwbo.ru>)
- Arbitration in Russia is often not regarded as efficient tool for resolving disputes.

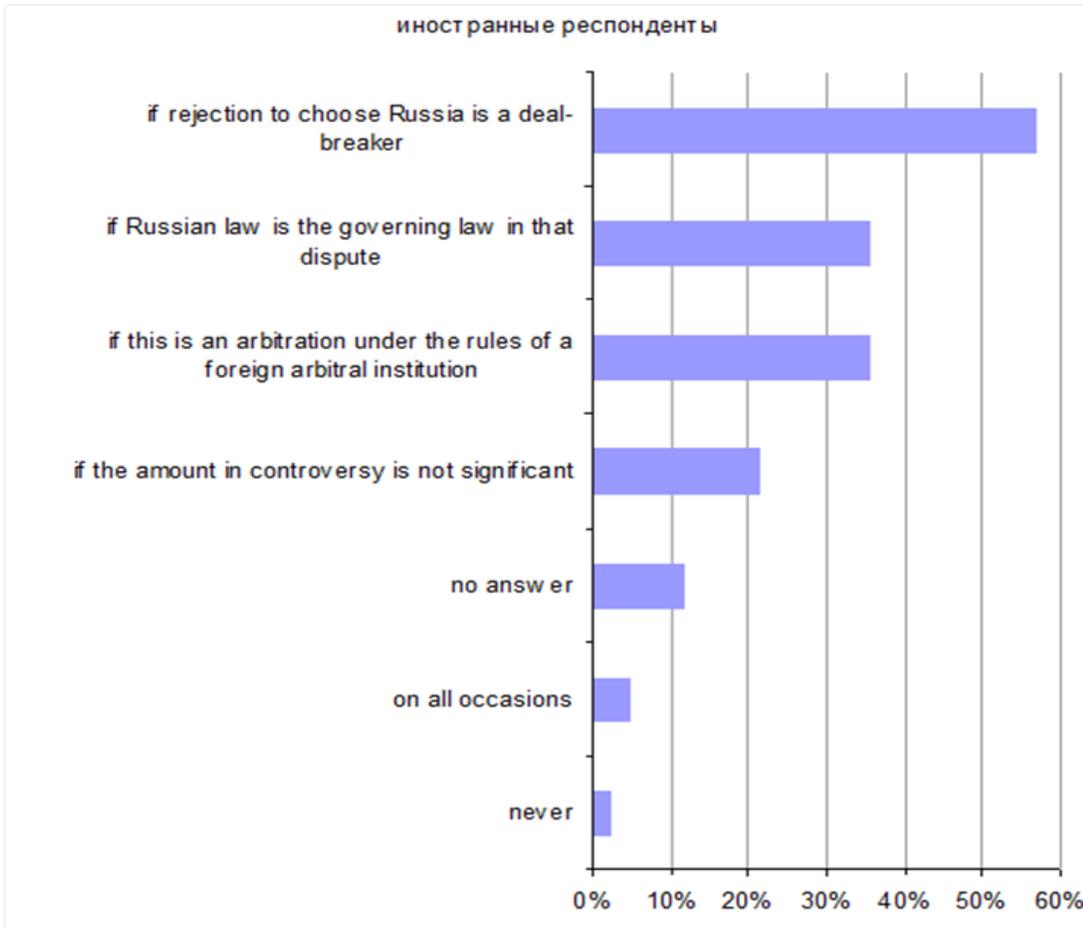
# Why it is needed?

- I. e. according to the said survey both groups of respondents – Russian and foreign – prefer foreign arbitration venues such as Paris, Stockholm, and London.
- Respondents (both Russian and foreign) are prepared to have their disputes arbitrated in Russia if the cases are small.
- Many Russian companies prefer foreign arbitration institutions and venues, and, accordingly, high-profile disputes involving Russia (even between Russian companies) often escape abroad.

# Arbitration venues preferred by foreign respondents of the survey



# Factors influencing the choice of Russia as a place for arbitration by foreign respondents of the survey



- Russian law can be applied adequately only if a dispute based on Russian law is examined by arbitrators familiar with Russian law.

# History of the RAA

- October 2012– idea of establishing an arbitration association in Russia, a concept of the Association was developed, its main principles formulated and expressed in the Declaration.
- This initiative was supported by more than lawyers from leading 50 Russian, Ukrainian, Belorussian and international law firms.

# History of the RAA

- In May 2013 the founders officially registered the Russian Arbitration Association at the Ministry of Justice of the Russian Federation.
- The first general meeting of the RAA was held on 20 June 2013.
- At his first meeting the members of RAA in competitive voting elected the Board and Nominating Committee.



# Members of the RAA

- RAA was founded by more than 40 law firms and individuals.
- The list of founders is very impressive, it includes almost all major lawyers and law firms present in Russian and CIS arbitration market.
- The idea is that the law firms objectively have the greatest interest in the development of a trustworthy and efficient mechanism for the resolution of disputes.
- Mass membership of law firms is thought to be tool excluding influence by a particular law firm or other entity on the proceedings.



# Board of the RAA

- Out of 17 candidates nominated for the Board, originating from the UK, Belarus, Russia, Ukraine, France and the Czech Republic, 11 were elected.
- The Charter of the RAA provides that the Board is a permanent, collective managing body whose responsibilities include the development of the Association, working out the Rules for resolving disputes, and taking decisions on challenges to arbitrators.



# Board of the RAA

- **Timur Aitkulov** (Clifford Chance, Moscow),
- **David Goldberg** (White and Case, London),
- **Alevtina Kamelkova** (Alcatel-Lucent, Moscow),
- **Andrey Loboda** (LFP, Moscow),
- **Yury Monastyrsky** (Monastyrsky, Zyuba, Stepanov & Partners, Moscow),
- **Ilya Nikiforov** (EPAM, Moscow),
- **Noah Rubins** (Freshfields , Paris),
- **Vassily Rudomino** (Alrud, Moscow),
- **Tatyana Slipachuk** (Sayenko, Kharenko, Kiev),
- **Vladimir Khvalei** (Baker & McKenzie, Moscow),
- **Alexandre Khrapoutski** (Sysouev, Bondar, Khrapoutski, Minsk).



# Board of the RAA

- The first meeting of the Board elected
- **Vladimir Khvalei** as a Chairman and
- **Ilya Nikoforov** and
- **Noah Rubins** as Vice-chairs of the Board.

# Arbitrators' Nominating Committee and Secretary General

- The Nominating Committee includes i. a. prominent Russian scholars.
- **Tamara Evgenievna Abova** (Institute of State and Law of the Russian Academy of Sciences, Moscow),
- **Sergey Nikolaevich Lebedev** (MGIMO, Moscow),
- Other members of the Nominating Committee:
- **Francesca Albert** (Dechert, Moscow),
- **Alexey Dudko** (Hogan Lovells, Moscow),
- **Galina Zukova** (White and Case, Moscow),
- **Ekaterina Kobrin** (Baker & McKenzie, Moscow),
- **Gleb Sevastyanov** (Treteisky Sud Journal, St. Petersburg)
- **Roman Zykov**, is elected as Secretary General of the Association



# Independence and Professional Standards

- RAA is called to follow high standards of international arbitration, conflict of interest rules and other ethical professional standards.
- RAA will be financed only by membership fees and by conducting declared activity. It will not have a dominating sponsor or sponsors.

# Independence and Professional Standards

- Management of the Association shall be performed by the Board. None of its members is appointed by any entity, the Board is elected by the members of the Association.
- Appointment of arbitrators shall be performed by the Nominations Committee, which is also elected by the members of the Association. The Nominations Committee will not be authorised to nominate members of the Committee or members of the Board as arbitrators.

# Independence and Professional Standards

- The Secretary General of RAA and the Chairman of the Board will not be allowed to participate in arbitrations administered by RAA other than performing their functions at RAA.
- The Association is elaborating its Internal Rules, that shall contain rules for avoiding conflict of interests. Thus, i. a. members of the RAA bodies shall not have access to information (as well as a right of vote) on matters in which their law firms participate in any capacity.

# How shall be achieved the goals of the RAA?

- RAA will organise training for arbitrators.
- RAA will also have a membership for young arbitrators (RAA 40) and have special programs for young practitioners.
- RAA will provide information regarding potential arbitrators (both Russian and foreign) with the possibility of search by criteria such as language, field of law, experience.

# How shall be achieved the goals of the RAA?

- RAA itself shall administer arbitrations. RAA starts with administering disputes under UNCITRAL Rules and if it proves to be successful, it would be a basis for establishment of permanent arbitration institution.

# Disputes under the UNCITRAL Arbitration Rules

- The Board of the Association formed working group for creating Regulation for administering disputes under the UNCITRAL Arbitration Rules.
- These Rules are being drafted and they would be published shortly.
- The Association may perform the following functions as provided by the Article 6 of the UNCITRAL Arbitration Rules:
  - assist the parties in the constitution of an arbitral tribunal;
  - consider challenges filed; and
  - administer the financial part of arbitration (arbitrators' fees and administrative costs).

# Disputes under the UNCITRAL Arbitration Rules

- The Association will also provide the parties and the arbitrators with administrative support in organising arbitral proceedings, including, in particular, the maintenance of a relevant database and provision of information about premises for hearings, experts, interpreters, stenographers.

# The Web Address of the Association

- <http://www.arbitrations.ru>
- /RAA directory/